

State of Arizona
House of Representatives
Fifty-third Legislature
First Regular Session
2017

House Engrossed
FILED
MICHELE REAGAN
SECRETARY OF STATE

CHAPTER 23
HOUSE BILL 2039

AN ACT

AMENDING SECTION 32-2176, ARIZONA REVISED STATUTES; RELATING TO REAL ESTATE MANAGEMENT.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 32-2176, Arizona Revised Statutes, is amended to
3 read:

4 32-2176. Payment of finder fees to apartment tenants; limits;
5 prohibited activities; civil penalty; definitions

6 A. Notwithstanding sections 32-2155, 32-2163 and 32-2165 or any
7 other provision of this chapter, a property management firm or a property
8 owner may:

9 1. Pay a finder fee to an unlicensed person who is a tenant in an
10 apartment complex managed by the firm or owned by the owner.

11 2. Authorize a residential leasing agent or manager to deliver a
12 finder fee to an unlicensed person who is a tenant in an apartment complex
13 managed by the residential leasing agent or manager. A residential
14 leasing agent or manager may not receive a finder fee. This prohibition
15 does not affect the ability of a residential leasing agent or manager to
16 receive a bonus pursuant to section 32-2121, subsection A, paragraph 6.

17 B. A finder fee paid pursuant to this section shall ~~not exceed a~~
18 ~~two hundred dollar~~ BE A credit toward or reduction in the tenant's monthly
19 rent. A tenant may receive multiple finder fees ~~pursuant to this section~~
20 ~~up to five times in any twelve month period.~~

21 C. A tenant shall limit the tenant's activities pursuant to this
22 section to referring prospective lessees to the owner or the owner's agent
23 and shall not do any of the following:

24 1. Show a residential dwelling unit to a prospective lessee.

25 2. Discuss terms or conditions of leasing a dwelling unit with a
26 prospective lessee.

27 3. Participate in the negotiation of the leasing of a dwelling
28 unit.

29 D. ~~Nothing in~~ This section ~~permits~~ DOES NOT ALLOW an unlicensed
30 person to advertise or otherwise promote the person's services in
31 procuring or assisting to procure prospective lessors or tenants of
32 apartment units.

33 E. For a licensee who pays a finder fee in violation of this
34 section, for each violation the department may suspend or revoke the
35 licensee's license or impose a civil penalty pursuant to section 32-2153.

36 F. For the purposes of this section:

37 1. "Finder fee" means a fee paid to a person for introducing or
38 arranging an introduction between the parties to a transaction involving
39 the rental of an apartment unit.

40 2. "Property owner" means a person who is exempt from the licensing
41 requirements of this chapter pursuant to section 32-2121, subsection A,
42 paragraph 1.

43 3. "Residential leasing agent or manager" has the same meaning
44 prescribed in section 32-2121, subsection A, paragraph 6.

APPROVED BY THE GOVERNOR MARCH 21, 2017.

- 1 -

FILED IN THE OFFICE OF THE SECRETARY OF STATE MARCH 21, 2017.

Passed the House January 30, 20 17

Passed the Senate March 13, 20 17

by the following vote: 57 Ayes,

by the following vote: 30 Ayes,

1 Nays, 2 Not Voting

0 Nays, 0 Not Voting

[Signature]
Speaker of the House

☐ Pro Tempore

[Signature]
President of the Senate

[Signature]
Chief Clerk of the House

[Signature]
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF GOVERNOR

This Bill received by the Governor this

15th day of March, 20 17

at 4:02 o'clock P. M.

[Signature]
Secretary to the Governor

Approved this 21st day of

March, 2017

at 10:59 o'clock A M.

[Signature]
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this 21 day of March, 20 17

at 4:51 o'clock P M.

[Signature]
Secretary of State

H.B. 2039